

**WAREHOUSE INSPECTION GUIDE
AND
INSTRUCTIONS FOR PREPARATION OF THE WAREHOUSE INSPECTION REPORT
(DD FORM 1812)**

1. General This section provides information and guidance regarding the on-site inspection of commercial carrier, agent and contractor warehouses approved for the storage of personal property shipments. This information supplements the criteria outlined in Appendix E, Pre-award Survey Guidelines, and should be used as a checklist when performing semiannual and other routine facility inspections. Activities located outside CONUS, excluding Alaska and Hawaii, may deviate from the procedures outlined herein when the theater commander, or other designated authority, has established facility standards to comply with localized practices, trade and customs.

a. When the facility of a carrier or agent is utilized by more than a single installation Transportation Office (ITO), one ITO will be designated by mutual agreement of the ITOs concerned. When ITOs are unable to reach an agreement as to the activity to be designated, the cognizant SDDC area command or field office shall determine which activity will be responsible to perform the required inspections. Normally the ITO with geographical responsibility for the area in which the facility is located will perform the inspections. The ITO which assumes responsibility for performing the inspections will provide other ITOs using the same facility a copy of all inspection reports and related documents which may affect the storage program, carrier-agent representation rules and similar matters. When an inspection results in the disqualification of a facility, the disqualification will apply for all ITOs using the same facility.

b. The DD 1812, Warehouse Inspection Report, is to be utilized when performing the aforementioned inspections. Modern warehousing and storage facilities incorporate various techniques and methods to provide the storage and related services contracted for under the Basic Ordering Agreement (BOA) and Tender of Service. In this regard the inspecting official must evaluate numerous areas to insure that the facility complies with the requirements of the applicable contract or tender and the stored property is afforded adequate levels of protection in a safe environment. Each facility inspection should be preplanned to achieve maximum results. During the Pre-trip planning it is suggested the inspection official review previous inspection findings, reports on service failures, customer complaints, claim letters, and other general information which is readily available. These and related areas can be discussed with a management official of the company during or after the actual inspection process.

2. General Inspection Procedures A technique substantially outlined below is recommended to be followed during on-site inspection:

a. On approach to the warehouse note general activity, status of yard operations, and evidence of security measures.

b. At the warehouse contact management official, advise of the purpose of visit and set forth procedures of inspection.

c. As a minimum the inspection and evaluation process will include a review of the following areas:

- (1) Fire detection and reporting systems.
- (2) Security Systems.
- (3) Structural and Electrical Systems.
- (4) Storage methods and practices.
- (5) Locator and lot identification systems.
- (6) Documents to include household goods descriptive inventories, weight tickets, warehouse receipt, service order, etc...

3. Specific Inspection Areas During the inspection process it is recommended that the inspecting official:

- a. Open a selected storage lot to observe packaging, marking, and stacking methods (RSMO inspections only).
- b. Check the locator system's accuracy by randomly selecting storage lots and cross-checking the information contained in the locator system with the actual location of the property in the warehouse.
- c. Review segregated item storage practices for articles such as rugs, sofas, and pianos.
- d. Circle outside of warehouse doing checks for fire hazards and security conditions. Combustible materials stored outside should be kept a minimum for 20 feet from the building. Due to the proximity of adjoining buildings, property lines, and similar circumstances, this may not be practicable in all areas. Therefore, the inspector should exercise sound judgement in applying this standard.
- e. Observe worker activity to include operations associated with the handling in and out of shipments.
- f. Check truck and platform scales to insure they have been inspected in accordance with state, county, and city codes.
- g. Check to verify that maintenance inspections of fire safety systems are being performed. As a minimum, fire detection and reporting systems must be inspected monthly and sprinkler systems quarterly.
- h. Check to verify that an insect and rodent control program, either self-administered or provided by an outside firm, is in effect.

4. Inspection Report Upon summation of the inspection, a DD 1812, Warehouse Inspection Report, must be executed pursuant to the instructions contained in paragraph 5 below. The contractor, carrier or agent must also be given an oral briefing on the deficiencies noted and a suggested course of action for correction which will meet DOD standards.

5. Instructions for Preparation of the DD1812, Warehouse Inspection Report A Written report of all inspections must be made on a DD 1812 and maintained as part of the contractor, carrier or agent file as appropriate. The DD 1812 will be prepared as indicated below:

1. General Information.

- a. The inspection block will reflect the type of inspection being performed; storage-in-transit (SIT), Basic Ordering Agreement (BOA), or both. The installation Transportation Officer (ITO) will check the ITO block when independent inspections are performed, whereas the Regional Storage Management Office (RSMO) inspectors will check the RSMO block. For joint inspections, (ITO/RSMO) the first block indicating both BOA and SIT will be checked.
- b. The actual date on which the inspection is performed will be entered.
- c. The name and address of the contractor, carrier, or agent block will reflect the present name and address of the company operating the facility for SIT and/or BOA storage.
- d. The address of the actual location of the warehouse.
- e. The total number of lots in storage and weight. This applies to BOA approved facilities only.
- f. The applicable block for the fire system/class will be checked.
- g. The current status of the warehouse will be checked. Active, inactive or ineligible.
- h. The contract reference number is only applicable to RSMO inspection of BOA approved storage facilities.
- i. Section 1, Pre and Post Storage Services. Deficiencies and violations listed in this section will be based on inspection by the ITO or RSMO inspecting official in connection with prestorage and poststorage services. When violations are observed and recorded in this section for lots which are in Non-Temporary Storage under the BOA, the ITO will forward a copy of the report to the cognizant RSMO Contracting Officer within 10 working days of inspection.
- j. Section 2 through 5. These sections separates the inspection areas by categories and subcategories which are to be evaluated during the inspection process. Each subcategory is also listed in the Guide to Severity of Deficiencies with references, when appropriate, to the BOA or Tender of Service and numerical quality control rating. All subcategories listed must be checked and assigned a quality control rating when deficiencies are observed. For subcategories, which do not cite a cross-reference to the BOA or Tender of Service, commercial warehousing principles, as established by the National Fire Protection association, and similar authorities, are accepted. The inspecting official may assign a higher point value (not to exceed three (3)) when the deficiencies are of such a nature that stored property may be subject to damage or the deficiencies related to the warehouse's security or fire prevention programs.
- k. Section 6, Deficiencies Observed/Actions Taken. This section is for the assignment of a quality control rating and is designed for the inspecting official to apply a suitable numerical rating to the facility. Based on the findings noted, the inspecting official may indicate any necessary actions to be taken by the contractor, carrier, or agent.
- l. Remarks Section This section is used to provide a narrative description of the deficiencies observed and records other pertinent information relative to the inspection.
- m. Signature Blocks The DD Form 1812 will be signed by the inspecting official and a representative of the contractor, carrier or agent at the time of inspection and prior to distribution of the form.

6. Upon completion of the inspection process the facility will be rated based on the type and severity of discrepancies observed. Ratings will be awarded as follows:

"A" Rating " This rating is assigned when no deficiencies are observed. No further action is necessary.

"B" Rating This rating is assigned when the observed deficiencies are minor and are easily correctable. The contractor, carrier or agent will be requested to perform immediate corrective action.

“C” Rating This rating is assigned when deficiencies are observed, however, they do not warrant declaring the contractor, carrier or agent ineligible for further business. The contractor will be required to provide a written detailed report of corrective action taken, signed by a responsible company official, within 10 days after the inspection. The facility should be closely monitored by both the RSMO and ITO for any future signs of deterioration in the quality of service. During the next regular inspection, if the contractor, carrier or agent has falsely reported a corrective action or repeated a violation previously called to their attention, grounds will exist for immediately placing the facility in a state of ineligibility or nonuse for a period deemed appropriate for the violation. The appropriate SDDC area command will be advised of this action.

“D” Rating This rating is assigned when the observed deficiencies merit a quality control rating score of “D” (17 points and over) or items marked by an asterisk are considered of sufficient importance to warrant declaring the contractor, carrier or agent ineligible or in nonuse status for further business. The inspecting official will immediately place the contractor, carrier or agent in a temporary state of ineligibility or disqualify the facility for business pending corrective action. The contractor, carrier or agent will be required to explain action taken and provide a written report of corrective action prior to the facility being reinspected. The cognizant Contracting Officer for NTS or ITO for SIT, may reinstate the facility when deficiencies have been corrected, evidence provided, and positive action taken to preclude recurrence

“E” Rating A repeat violation of a serious deficiency or evidence of false reporting of corrective actions will merit a quality control rating score of “E” and will be grounds for continuation of the state of ineligibility or disqualification for a period set by the Contracting Officer or ITO as appropriate. When the Contracting Officer determines an “E” rating is not sufficient, then a “Stop Notice” for future DoD, Non-Temporary Storage business may be issued or action taken to terminate the contractor for default. Also, this information may be used by an ITO to disqualify the facility of a carrier or a carrier’s agent.

7. Distribution:

The DD 1812 will be completed in triplicate and distributed, as indicated below after the inspecting official and contractor, carrier or agent have signed the completed form:

- a. The original is placed in the RSMO contract file or ITO file as appropriate.
- b. A copy is furnished to the contractor, carrier or agent, as appropriate, at the time of inspection.
- c. When the inspection is performed by a RSMO Contracting Officer, a copy is provided to the cognizant ITO. When the inspection is performed independently by an ITO and the facility inspected, participates in the Non-Temporary Storage program, and deficiencies are observed and recorded, a copy must be provided to the cognizant RSMO. When an ITO has assumed the inspection responsibilities for facilities used by other ITOs, a copy of all inspection reports must be provided to each user activity within 10 working days from the date of inspection.

GUIDE TO SEVERITY OF DEFICIENCIES

TECHNICAL AREA

QUALITY CONTROL REFERENCES **POINT RATING BOA/TOS**

1. PRE AND POST STORAGE SERVICES

A. Unauthorized Equipment in use	1	C-2-b/K&L
B. Unauthorized cartons and packaging used.	1	C-2-c/E
C. Improper packing/sealing marking of cartons.	1	C-4-c&d/G1&2
D. Pickup service not accomplished on time.	1	C-2-e/A1&2
E. Improper loading/unloading of van or pallet.	1	C-6-c(7)/G1&R
F. Disassembled parts not packaged, inventories	1	C-4a(2)/B
G. Inventory stickers on finished surface.	1	C-4c/F13
H. Improper appliance servicing labeling.	1	C-4b/F11&12
I. Smoking observed at residence	1	C-6c(4)
J. Unqualified personnel	1	C-2g/D
K. Origin premises not left in good order.	1	C-4j/M
L. Destination services improperly performed.	1	C-4k&l
M. Deviations to service order	1	C-4k,l&m
N. Delivery service not accomplished on time.	1	C-4l/G1&2

2. ADMINISTRATION

A. Incorrect inventory preparation	1	C-5/D
B. No separate weight ticket and certificate/PB and E/WT.	1	C-4e/K
C. Incorrect warehouse receipt preparation	3	C-7c
D. Ineffective locator system*	1	C-6d/G3
E. Contract supporting paperwork needed.	1	C-5&H-4/PN&O

<u>TECHNICAL AREA</u>	<u>QUALITY CONTROL REFERENCES</u> <u>POINT RATING</u>	<u>BOA/TOS</u>
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3. STORAGE METHODS & OPERATION

A. Consigned lots not stored within 3 days.*	2	C-7a/G1
B. Improper storage, stacks/pallets	2	C-6/G1,4&5

C. Finished surfaces not protected by pads/wrap.	2	C-6a(1)F13
D. Lots and separated pieces not elevated 2 inches.	2	C-6c(7) G1
E. Lots stored against exterior walls	1	C-6c(7)/37a/G1
F. Lawnmowers not stored at base level of lot.	1	C-6b(10)
G. Improper Firearms control	2	C-3m/P10
H. Loose stack storage over 10 feet*	2	C-6c(7)G1
I. PBO contents not identified on inventory.	1	
J. Improper storage of upholstered pieces.	2	C-6b(3)/G5
K. Improper storage of rugs/pads	2	C-6b(2)/G4
L. Improper piano/organ storage	1	C-6b(5)
M. Improper storage of mattresses	1	C-3l/F9
N. Segregated items not properly identified.	2	C-6d(3)/G3
O. Improper packing of mirrors/glass table tops.	1	C3f/F7
P. Inadequate protection against mold/mildew.	2	C-6b(7)
Q. Aisles being used to process goods in/out.	1	C-6c(6)
R. Previous discrepancies not corrected*.	3	
4. FIRE PREVENTION AND HOUSEKEEPING		
A. Electric/heat/water systems require repair.	1	C-6c(8)
B. Evidence of smoking in warehouse*	3	C-6c(4)
C. Unauthorized items stored.*	3	C-6c(3)
D. Improper aisle and/or stacking clearance.	1	C-6c(2)
E. No fire system inspections*	3	C-7e
F. No fire extinguisher inspections	3	C-6c(2)
G. No extinguishers on warehouse equipment.	2	C-6c(9)
H. Trash/debris in storage area	2	C-6c(5)
I. Fire doors inoperable/in need of repair.	3	C-7e

<u>TECHNICAL AREA</u>	<u>QUALITY CONTROL POINT RATING</u>	<u>REFERENCES</u>	
		<u>BOA</u>	<u>TOS</u>
J. No fire plan posted	1	C-7e	
K. Space heaters/extension cords being used.	1	C-6c(8)	
L. Gas and oil not drained from	2	C-6c(3)	

motorized items.		
M. Hazards noted within 20 feet of warehouse.*	2	C-6a(3)
N. Flammables/combustibles found in warehouse.*	2	C-6c(3)

5. WAREHOUSE PRACTICES

A. Inadequate security*	3	C-6e
B. Inadequate loading/unloading area	1	C-6c(6)
C. Structural deficiencies (doors/floors/roof/walls/windows)	3	C-7e
D. Inadequate protection from sun/dust/heat/cold/moisture.	2	C-6c(1)
E. Lack of insect/rodent control	2	C-6c(1)
F. Vehicles parked in storage area	3	C-6b(7)
G. Commingled storage with undesirable commodities	2	C-6c(3)
H. Multiple occupancy.*	3	C-6e & C-7b
I. Weight stored in excess of authorized limit.	2	C-7j

* When those items followed by an asterisk are observed the inspecting official should consider placing the facility in an ineligible or disqualified status immediately. The facility will not be removed from this status until the deficiencies have been corrected and verified by an on-site inspection. When the ITO, at the request of a RSMO, verifies that the deficiencies have been satisfactorily corrected, the facility may be removed from disqualified or ineligible status.